

***Joseph Fleming v. LM General Insurance Company***

Held April 5, 2018– Docket No. INS-18-2017

Decision Issued: May 1, 2018

The named insured requested a hearing to contest the cancellation of a personal automobile policy for nonpayment of premium. The company failed to demonstrate that the premium was not paid when due and that all statutory notice requirements were met.

**Held:** For the insured. The Automobile Insurance Cancellation Control Act (AICCA), at 24-A M.R.S. § 2914(1), permits an insurer to cancel an automobile policy for nonpayment of premium, which is defined as "failure of the named insured to discharge when due any of his obligations in connection with the payment of premium on the policy, or any installment of a premium." The AICCA does not require an insurer to give the insured an opportunity to restore the policy after missing a payment. The company's cancellation notice did provide an opportunity to avoid the termination, but did say that the insured could pay "by" the date the policy expired. The insured attempted payment on the final day allowed by the notice, which the company refused to accept. Telling the insured that he could pay by the policy expiration date allowed him to pay on the expiration date. Accordingly, the cancellation action is not permitted.